



SOME
T H O U G H T S
RELATING TO
T R A D E, &c.



SOME
THOUGHTS
RELATING TO
TRADE in GENERAL,
AND TO THE
EAST INDIA TRADE
IN PARTICULAR.



L O N D O N:
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S O M E
T H O U G H T S
R E L A T I N G T O
T R A D E, &c.

TH E remotest Traffick is always most beneficial to the Kingdom's Stock ; for Example, —Suppose Pepper to be always worth two Shillings the Pound, and a Merchant should fetch it from *Holland*, and pay there twenty Pence the Pound, he will gain well by the Adventure ; but if he fetch this Pepper from the *East-Indies*, he cannot give above Five-Pence the Pound to obtain the like Gain, clear of all Charges, which does sufficiently prove the great Advantage we have by purchasing Commodities in remote Countries,

not only for our own Consumption, but for Exportation; so that it is plain we make a much greater Stock by Gain upon many Commodities, than those Nations do where they grow; and surely there is not less Honour and Judgment by getting Riches in this Manner, than by an industrious Increase of our own Means, especially, when this latter is advanced by the Benefit of the former; as hath been found in the *East-Indies* by Sale of our native Commodities. But for the better understanding thereof, we must distinguish between the Gain of the Kingdom, and the Profit of the Merchant; for altho' the Kingdom pay no more for this Pepper than is before supposed, nor for any other Commodity purchased in foreign Countries, more than the Stranger receiveth from us for the same; yet the Merchant payeth not only that Price, but also the Freight, Insurance, Interest, Customs, and many other Charges, which are exceeding great in long Voyages: but all these

these in the *Kingdom's Account* are but Commutations among ourselves, and no *Privation* of the public Stock, they remain still in the *Kingdom*.

It is of great Importance to the Nation, *That the Price of Lands should be improved*, which never hath nor can be done, but by a successful foreign Trade; the *Ballance* whereof is the *only Means* and Rule of our Treasure; that is to say, when either by issuing out of the *Realm* yearly, a greater Value in Wares, than we consume of foreign Commodities, we grow *rich*; or by spending more of Strangers Goods, than we sell them of our own, we are impoverished: for the first of these Courses doth bring in the Money which we have, the last will carry it away again when we have got it. It is a true Saying, That Plenty or Scarcity of Money makes all Things dear or cheap in a Commonwealth; but it is necessary to distinguish the *seeming Plenty* of

Money from that which *only is substantial*, and able to perform the Work; for there are many Ways and Means to procure Money into a *Kingdom* (for a short Time), which do not therefore enrich, but rather impoverish the same, by the several Inconveniences which ever accompany such Alterations; for Instance, if we should melt down our Plate into Coin, it would cause Plenty for a Time, yet should we be nothing the *richer*, but rather this *Treasure* being thus altered, is made the more apt to be carried out of the Kingdom, if we exceed our Means by Excess in foreign Wares, or maintain a *War* by Sea or Land, where we do not feed and cloath the Soldier, and supply the Armies with our own native Provisions; by which Disorders our *Treasure* will be exhausted; for it is not the Merchant's Exchange by Bills that can prevent the last of the abovementioned Evils. But whether it be the Stranger or the *English* Merchant brings Money into this Country,

Country, it must ever be done upon a valuable Consideration, either for Wares carried out already, or after to be exported, which helps us nothing, except the evil Occasions of *Excess or War* aforementioned be removed, which will exhaust our Treasure; for otherwise, the Money that one Man bringeth in for *Gain*, another Man shall be forced to carry out for *Necessity*, because there shall ever be a Necessity to *balance our Account with Strangers*, although it should be done with great Loss upon the Rate of the Money, which is exported at great Risque, and Danger of Confiscations; for *Necessity or Gain* will ever find some Means to violate the Laws.

So that the Treasure which is brought into the *Realm* by the Ballance of our foreign Trade, is *that* Money which only doth abide with us, and by which we are enriched; and by this Plenty of Money thus gotten (and no otherwise) do our Lands

improve;

improve; for when the Merchant disposes of his Cloth well abroad, he presently buys a greater Quantity, which raiseth the Price of Wool and other Commodities, which doth improve the Landlord's Rents, as the Leases expire daily; and also by this Means, Money being gained and brought more abundantly into this *Kingdom*, it doth enable many Men to buy Lands, which must make them the dearer: but if our foreign Trade come to a Stop or Declination, *by a Neglect at Home, or Injuries abroad*, whereby the Merchants are impoverished, and so the Commodities of the Growth and Product of the Nation less issu'd, then do all the Benefits abovementioned cease, and our Lands fall in Price daily: wherefore the flourishing Estate of our general Trade is the only Means to make our Lands improve; so the particular Trade to the *East-Indies*, is *a principal Instrument therein*, because it hath much encreased the Traffick of this Kingdom.

In the Course of a Foreign Trade; there are three Degrees of Gain; the first is, that *of the Commonwealth*; which may be done when the Merchant (who is the principal Agent therein) shall lose. The second is the Gain of the *Merchant*, which he sometimes doth justly and worthily effect, although the Commonwealth be a Loser. The third is the Gain of the *King*, whereof he is ever certain, even when the Commonwealth and the Merchant shall be both Losers.

It hath been already observed, that the Commonwealth may be enriched in the Course of Trade, by the Balance of the same, when Excesses are avoided; but it may be affirmed, that such Happiness may be in the Commonwealth, when the Merchant, for his particular, shall have no occasion to rejoice. As for example; suppose the *East India Company* should send out one hundred thousand Pounds in
Goods

Goods or Money into the *East Indies*, and receive home for the same the full Value of three hundred thousand Pounds; hereby it is evident that this Part of the publick Stock is *trebled*: and yet it may be proved, that the Company shall be Losers by the Adventure, if the Returns be made in bulky Commodities; for the Freight, the Charges abroad and at home, his Majesty's Duties and Customs, and all other Charges, will be above two hundred thousand Pounds; which being added to the Principal, produceth Loss. And thus we see, that not only the *Kingdom*, but also the KING, may get very much, when the Merchant shall lose; which gives good Occasion to consider how much more the Nation is enriched by this Trade, when all things pass so happily, that the Merchant is a Gainer also, together with the KING and Kingdom. But for the better explaining of that which hath been affirmed as above, we must

must understand, that if the said one hundred thousand Pounds should be trebled by the Return of so much Silks and other fine Commodities out of the *Indies*; then the Merchant likewise should gain by such an Adventure, because those Commodities would require but five hundred Tons of Shipping to bring home the same; which is but a very small Charge in respect of four thousand five hundred Tons of Shippings, which would be required to lade home the like Value in bulky Commodities.

The second Sort of Gain in the Course of Trade is, when the Merchant by his laudable Endeavours may both bring in and carry out Wares and Commodities to his Advantage, by buying them and selling them to good Profit, which is the End of his Labours: yet nevertheless, the Commonwealth shall decline and grow poor *by a Disorder in the People*, when

C

through

through *Pride* and other *Excesses* they do consume more foreign Wares in Value, than the Wealth of the Kingdom can satisfy and pay by the Exportation of our own Commodities ; which is the very Quality of an *Unthrif*t, who spends beyond his Means.

The third Sort of Gain is the *King's*, who is ever sure to get by Trade, when the Commonwealth and the Merchant shall lose severally, as aforefaid, or jointly, as it may and sometimes doth happen, when the Merchant is unsuccessful, and when our Commodities are over-ballanced by foreign Wares consumed : but if such Disorders be not prevented, his Majesty in the End shall be the greatest Loser, when his Subjects be impoverished.

The Safety of this *Kingdom* consists not only in its own *Strength* and *Wealth*, but also in the laudable and lawful Performance of
those

those Things which will weaken and impoverish such powerful *Princes*; as either may, or are become our Enemies, in remote Countries.

All Nations (who have no Mines of their own) are enriched with Gold and Silver by one and the same Means, which is already shewed to be the *Ballance of their foreign Trades*; and this is not strictly to be done in those Countries where the Fountain of Treasure is, but rather with such Order and Observations in the Trade, and against *Excess*, as are before mentioned: for suppose *England* by Commerce with *Spain*, may get and bring home five hundred thousand Ryals of Eight yearly, yet if we lose as much by our Trade in *Turkey*, and therefore carry our Money thither, it is not then the *Englisb* but the *Turks* who have got this Treasure, although they have no Trade with *Spain*, from whence it was first brought. But if *England* having thus lost

with *Turkey*, does notwithstanding gain twice as much by *France*, *Italy*, and other Members of her general Trade, then there will remain five hundred thousand Ryals of Eight clear Gain by the *Ballance* of the same; and this Comparison holds between all other Nations, both for the Manner of getting, and the Proportion that is yearly gotten. But if yet a Question was made whether all Nations get *Treasure*, and *Spain* only lose it, I answer no; for some Countries by *War*, or by Excess, do lose that which they had gotten; as well as *Spain* by *War*, and Want of *Wares*, doth lose that which was its own.

The industrious *Hollanders* wanting Means in their own Land, do find rich Mines in his Majesty's Seas, Golden Mines they may be termed, for the States so call them in their public Proclamations, which they have set forth on all Occasions for the better Preservation of their fishing: a Treasure
ture

sure it is (indeed) inestimable, and an Employment most profitable : from hence originally proceeds the Increase and Maintenance of their People, their Arts, their private Wealth, their public Treasure, the Multitude of their Ships which fetch Materials to build Ships, the Swarms of their small Vessels which catch Fish, to lade their great Ships which trade with Fish ; the Produce whereof doth furnish them with all their Wants of foreign Commodities, and make them also rich in *Treasure*, with which *Treasure* they do also enlarge their Trade into all the Quarters of the World, whereby they become the *Magazines* for *England*, *France*, *Spain*, and other Places. In which Course of Trade, they are not less injurious to supplant others (especially the *English*) than they are careful to strengthen themselves, with more than ordinary Diligence ; for they know well, that *Trade* hath raised their *Fortunes*, and doth feed their Hopes.

We

We have no other means to get *Treasure* but by foreign *Trade*, for Mines we have none, and how this Money is gotten in the Management of our Trade is already shewn, that it is done *by making our Commodities which are exported, to over-balance in Value the foreign Wares which we consume*: so that it remains only to shew how our Monies may be added to our Commodities, and being jointly exported may so much the more increase our *Treasure*.

And here let it be supposed, that our yearly Consumption of foreign Commodities is to the Value of twenty hundred thousand Pounds, and our Exportations to exceed that two hundred thousand Pounds, which Sum it may be affirmed is brought to us in *Treasure* to ballance the Account; but if we add three hundred thousand Pounds more in *ready Money*, unto our former Exportation in *Wares*, what Profit can we have (will some Men say) although by this
means

means we should bring in so much ready Money, seeing that we have carried out the like Value?

To this the Answer is, that when we have prepared our Exportation of Wares, and sent out as much of every Thing as we can spare or vent abroad; it is not therefore said, that then we should add our Money thereunto to fetch in more *Money immediately*, but rather first to enlarge our Trade therewith, by enabling us to bring in more foreign Commodities; which being sent out again into the Places of their Consumption, they will in due Time much increase our *Treasure*: For, tho' in this manner we do yearly multiply our Importations to the Maintenance of more Shipping and Mariners, Improvements of his Majesty's Customs, and other Benefits; yet *our Consumption of those foreign Commodities is no more than it was before*; so that all the said Increase of Commodities brought in by the Means

Means of our ready Money sent out as
aforesaid, doth in the End become an
Exportation unto us of a much greater
Value than our said Monies were, which
is proved by the three several Examples
following.

First, suppose that one hundred thousand
Pounds Sterling, being sent in our Shipping
into the East Countries, and that it will
buy there one hundred thousand Quarters
of Wheat, clear of all Charges on board
the Ships, which being after brought into
England and housed, to export the same
at the best Time for vent thereof in *Spain*
or *Italy*, and that it there sells for two
hundred thousand Pounds to make the
Merchant but a Saver; yet by this reckon-
ing we see the *Kingdom* hath doubled that
Treasure.

But the Profit will be far greater when
we trade thus with our Money in remote
Countries,

Countries, as for Example, if we send one hundred thousand Pounds into the *East Indies* to buy Pepper there and bring it hither, and from hence send it to *Italy* or *Turkey*, and that it yields there five hundred thousand Pounds, at those Places, in regard of the excessive Charges which must be disbursed in those long Voyages in Shipping, Wages, Victuals, Interest, Customs, and the like: all which Charges the *King* and the *Kingdom* gets; and it may be here observed, that as the Publick Profit by foreign Trade is the only means whereby we gain our Treasure; so the Trade to the *East Indies* (in its Proportion) doth far excell all others.

The third Example is, where the Voyages are short, and the Commodities rich, which therefore will not employ much Shipping, the Profit to the *Kingdom* will be far less; as when another hundred thousand Pounds shall be employ'd in *Turkey* in raw Silks,

and brought hither to be exported from hence, the Merchant shall have good Gain tho' he sells for one hundred and fifty thousand Pounds; and thus take all the Voyages together in their *Medium*, the ready Monies exported will be returned to us near *treble*. But if any Man will yet object that these Returns come to us in Wares, and not really in Moneys as they were issued out;

The Answer is, that if our *Consumption of foreign Wares*, be no more yearly than is before supposed, and that our Exportations be so mightily encreased by this manner of trading with ready Money: It is not then possible (in the Course of Trade) but that all the *Over-ballance or Difference*, shou'd return either in *Money*, or in such Commodities as we must export again, which, as is before plainly shewed, will be still a greater Means to increase our *Treasure*; for it is in the Stock of a *Kingdom*, as in the
Estates

Estates of private Men, who having store of Wares and Merchandize, do not therefore say, that they will not venture out or trade with their Money, (for this wou'd be ridiculous) but do also turn that into Wares; whereby they multiply their Money, and so by a continual and orderly Change of one into the other grow rich, and when they please turn all their Estates into Treasure; for they that have Wares cannot want Money; for what begot the Monies sent out, but our Wares?

Neither is it said that *Money* is the Life of *Trade*, as if it cou'd not subsist or pass current without the same; for we know that there has been great trading by way of *Commutation or Barter*, when there was but little Money stirring in the World. There are some *Nations*, which have such Remedies against this Want, that it can neither decay nor hinder their *Trade*, for they transfer Bills of Debt, and have other

Ways whereby they assign their Credits from one to another daily for very great Sums, with Ease and Satisfaction by writing only, whilst in the mean time, the *Mass of Treasure* which gave Foundation to these Credits is employed in *foreign Trade as a Merchandize*, which doth much increase their Traffick. It is not therefore the keeping the Money in the Kingdom, which makes a quick and ample Trade, but the Use of our Wares in foreign Countries, and our Want of their Commodities, which causes the Vent and Consumption on all sides.

And here it may be observed, that *Legborne*, is one of the most famous Places for Trade in *Europe*, and yet the Merchant hath but little means to make their Returns from thence, but *only in ready Money*, which they may, and do carry away freely at all Times, and without Custom to the great Advantage of the Duke of *Tuscany*, and his Subjects, who have been much enriched by the continual

tinual great Concourse of Merchants, from all the States of Princes their Neighbours, bringing them Money daily to supply their Wants of the said Wares: and thus we see that the Current of Merchandize, which carries away their Treasure, becomes a flowing Stream to fill them again *in a greater Measure with Money.*

Therefore let no man doubt but that Money must ever attend on Merchandize, for they go together : And it is worthy the Noting, that there are Princes who are content to part with their Treasure only to enjoy the Trade of the Wares which are brought them, for which (to encourage the Merchant) they take no Custom; whereas we by sending out our Money do gain the Employment of our Shipping, the Trade of our Wares, and the Profit of the Customs, which is a treble Benefit.

Some

Some Men have thought that those Countries which permit Money to be carried out, do it because they have few or no Wares to Trade withal; but we have great store of Commodities, and therefore their Action ought not to be our Example.—To this it may be answered, that if we have such a Quantity of Wares, as doth fully provide us of all Things needful from beyond the Seas, why should we then doubt that our Monies sent out in Trade must not *necessarily come back again in Treasure*, together with the great Gains which it may procure in such manner as is beforementioned? and on the other Side, if those Nations which send out their Money, do it because they have few Wares of their own; How come they to have so much *Treasure* as we ever see in those Places, which suffer it freely to be exported at all Times, and by whomsoever? The Answer is, *even by trading with their Monies*, for by what other means can they get it, having no Mines of *Gold or Silver*?

It may be now expected that I should give my Thoughts with respect to the great Complaints which have been this Year published against the *India Company's* Exportation of *Gold* and *Silver* Bullion; but I choose rather to observe,

£.

That the foreign Bullion exported by the *East India Company*, their Officers and Servants, for five Years, commencing at *Michaelmas*, 1711, and ending at *Michaelmas*, 1716, amounted to

1,636,257.

Besides, more than one tenth Part of the whole Export, was yearly sent to the *East Indies* in Goods of *English* Product.

Bullion

£.

Bullion exported, brought over 1,636,257

In five Years from *Christmas* 1712, to *Christmas* 1717, the *East India* Goods exported from *England* to foreign Parts amount on their Nett Value to 3,335,928

Exclusive of the draw backs and prompt Payments allowed the Merchants.

By which it is apparent that over and above the Value of the Bullion exported to *India*, there was a Ballance accruing from foreign Parts to the amount of 1,699,671

Which have been answered to *Great Britain* by Goods, Exchange or Bullion.

Besides this Sum

The

£.

The Company have
paid for Customs in
five Years to *Christmas*
1717, 1,848,070

The draw-backs on
Exportation of Goods
in the same Time 898,197

£.

So that the remaining Surplus,
towards clearing the Debt of
the Nation, amounted to 949,873

To which is to be added, as a further
Gain to the Nation, all the Salt Petre,
Drugs, Tea, Coffee, Pepper, Cotton,
Yarn, Raw Silk, Muslins and Calicoes
expended in *Great Britain* in the said five
Years, which otherwise must have been
purchased at much dearer Rates of our
Neighbours.

Note, The East India Company did license foreign Bullion for Purchase of Diamonds from Michaelmas 1711, to Michaelmas 1716, £123,537.

But because much the greatest Part of the said Diamonds are again exported, this Sum is not added to the above Bullion.

I shall now only observe, that I think the Trade to the *East Indies* will be entirely lost to this Nation, if it should be laid open; but as I may probably publish too much on this Subject for our *natural Enemies*, or our *professed Friends and Allies* to hear at this Time, so I will defer giving my Thoughts thereupon, till a more proper Opportunity offers.

A. Z.

November the 1st,
1754.

F I N I S.